FBIS DAILY REPORT

MIDDLE EAST & SOUTH ASIA REVIEW

12 DECEMBER 1986

Lebanon

Fighting between Palestinian and Amal gunmen continued in the camps war. The clandestine Radio Free Lebanon noted that 3 people were killed and 20 wounded in the shelling of Shatila and that 3 others were killed and 10 wounded in the bombardment of Al-Rashidiyah. Meanwhile, the Iranian delegation trying to effect the implementation of a cease-fire agreement left Beirut for consultations in Damascus, Voice of National Resistance radio reported. In remarks carried by KUNA, Fatah Central Committee member Salah Khalif rejected the cease-fire proposal sponsored by Iran. Khalif revealed that the Soviet Union sent "strongly worded and decisive messages" to Damascus on the subject of the camps war. In a related development, Voice of Lebanon radio reported that PFLP leader George Habash accepted a Soviet offer to mediate an end to the camps fighting.

According to the clandestine Voice of the Mountain radio, 6 people were killed and 17 wounded in the 11 December Israeli raid on Fatah positions. Fatah Revolutionary Council member Salim Abu 'Imad was among those killed, the clandestine Radio Free Lebanon noted.

Israel

In remarks cited by Jerusalem radio, Prime Minister Yitzhak Shamir said that direct negotiations are the only way to solve the Mideast problem and urged Egypt and Jordan to resume talks to promote peace in the spirit of Camp David.

In an effort to enhance its security, Israel completed the installation of a new fence system along its borders with Syria and Lebanon, Jerusalem radio revealed.

Iran-Iraq War

Iraqi air strikes destroyed runways, hangars, and other facilities at a "large military air base" in central Iran, a communique broadcast by Voice of the Masses radio reported. INA announced that Iraqi forces are in "full control" of northern Iraq following large-scale military operations 6 November to 6 December by Iraqi troops and "Kurdish national defense regiments." The agency noted that the forces of Jalal al-Talabani and the "Khomeyni guards" sustained "massive losses," including 558 confirmed dead.

In action against Iraq, Iranian artillery inflicted "considerable damage" on the Al-Bakr oil platform, IRNA reported.

Iran-USSR

Finance Minister Javid Iravani and Soviet official Konstantin Katushev signed a protocol on economic cooperation, Tehran radio reported. The finance minister thanked Katushev for his "positive spirit" during the 3 days of talks, the radio noted. In a prior meeting, Prime Minister Mir Hoseyn Musavi told Katushev that conditions are "favorable" for the expansion of bilateral relations, IRNA reported, adding that Musavi stressed Iran's call for an immediate Soviet withdrawal from Afghanistan.

Libya

Al-Qadhdhafi Speech — Colonel Mu'ammar al-Qadhdhafi stressed domestic issues in a speech before a session of the General People's Committees broadcast by Tripoli television. On the subject of reducing food imports, Al-Qadhdhafi advised every Libyan family to grow enough grain to supply its needs for a year. Furthermore, he announced the introduction of a barter system whereby citizens must exchange homegrown wheat or barley for imported grain products. The Libyan leader also called for the implementation of a plan to have civilians assume some of the responsibility for self-defense tasks such as guard duty.

Involvement in Chad — A Chadian Government "press release" carried by Ndjamena radio announced that "unprecedented fighting" broke out in Bardai when Libyan forces launched air and ground attacks on government positions. The statement, which also accused the Libyans of using napalm and toxic gas, notes that the situation is "grave."

Sudan

According to SUNA, four men were sentenced to life imprisonment for their part in the May 1969 coup in which former President Ja'far Numayri seized power.

"Reliable military sources" told *Al-Hadaf* that government troops are carrying out large-scale operations aimed at evicting SPLA rebels from their fortified camps in Equatoria, SUNA reported.

DRA

PDPA Secretary General Najibullah and CPSU General Secretary Mikhail Gorbachev began talks in Moscow, TASS reported.

Egypt

In Paris President Husni Mubarak and French President Francois Mitterrand held lengthy talks focusing on the Mideast situation, Paris radio reported.

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Natwar Singh, UK's Renton Conclude Talks

BK111613 Delhi Domestic Service in English
1530 GMT 11 Dec 86

[Text] India and Britain have concluded the current round of talks on an extradition treaty and decided to hold further discussions on the subject later. Delegations of the two countries have been meeting in New Delhi since yesterday to discuss various provisions of the proposed treaty and arrive at a mutually acceptable text. The British side was led by the minister of state in the foreign office, Mr Timothy Renton, while Mr Natwar Singh, the minister of state for external affairs, headed the Indian team.

An official spokesman told newsmen today that Mr Natwar Singh will be visiting London to continue to the talks. No date has, however, been fixed.

The spokesman said Mr Natwar Singh expressed India's serious concern at the anti-Indian extremist and terrorist activities in the United Kingdom. He told the British minister that these have cast a shadow on the relations between the two countries.

Mr Renton, while expressing understanding of India's concern, affirmed his government's determination to deal with these activities effectively.

Discussions also covered specific measures to deal with these problems. Besides the extradition treaty, the measures discussed include exclusion or deportation of those encouraging extremist or terrorist activity and prosecution. The two sides also agreed to examine the possibility of further strengthening their laws to deal with these problems.

Statement Issued on Visit

BK111753 Delhi ISI Diplomatic Information Service in English 1725 GMT 11 Dec 86

["Text" of statement by an official spokesman of the Ministry of External Affairs on the visit of Timothy Renton, UK minister of state for foreign and commonwealth affairs; dated 11 December]

[Text] Mr Timothy Renton, minister of state in British Foreign and Commonwealth Office visited New Delhi for official discussions on December 10-11, 1986. During his stay in New Delhi, Renton met with minister of state of external affairs, K. Natwar Singh and was received by the minister of external affairs, N.D. Tiwari.

2. [as received] Renton and members of his delegation had wide ranging discussions with Natwar Singh and officials of the Ministry of External Affairs which focussed on bilateral issues including a detailed discussion of anti Indian extremist and terrorist activities in the United Kingdom. Natwar Singh drew Renton's attention to India's serious concern at these activities which had in the recent past cast a shadow on Indo-U.K. relations. Renton expressed understanding of India's concerns and affirmed the desire and determination of the British Government to deal effectively with these activities. He recalled the firm commitment of her majesty's government to the territorial integrity and unity of India. The two sides strongly reiterated that the encouragement of violence and the stirring of racial and religious prejudices had no place in their democratic countries.

3. The two sides held extensive discussions on specific measures to deal with these problems including a proposed extradition treaty, exclusion or deportation of those who have been encouraging extremist or terrorist activities and the prosecution for offences involving such activities. The British side reviewed the present state of their laws regarding such offences and agreed to examine the possibilities of further strengthening their existing laws and procedures in order to deal more effectively with these problems.

4. The two sides discussed the provisions of a proposed extradition treaty extensively with a view to arriving at a mutually acceptable text. It was decided that further discussions will be held on this subject. The governments of India and the United Kingdon will continue to remain in close touch to take effective measures to deal with anti Indian extremist and terrorist activities in the United Kingdom. The talks between the two delegations were held in a cordial atmosphere. Natwar Singh accepted Renton's invitation to visit the United Kingdom to continue their talks at an early, mutually convenient date.

Gandhi Says Pakistan 'Negative' on Relations

BK120903 Delhi Domestic Service in English
0830 GMT 12 Dec 86

[Text] The prime minister has said that Pakistan's response to India's initiative for improving relations has been negative. Addressing jawans [soldiers] in Leh today, Mr Rajiv Gandhi said Pakistan has its own internal problems and in order to divert the attention of its people, Islamabad is trying to destabilize our country. It has set up camps in its territory to train the terrorists. We can take counter measures against it, but India does not want to violate international norms. He commended the jawans for frustrating the nefarious designs of Pakistan and hoped they would continue to do so. Mr Gandhi pointed out there has been some encroachment on the eastern sector and New Delhi is not in favor of aggravating the situation. We want to settle the issue through negotiations.

Earlier, on his arrival in Leh from Jammu, Mr Gandhi was given a rousing reception. People lined up on both sides of the route from the airport and cheered the prime minister as he passed through. At places, Mr Gandhi talked to the people to know their problems. He is scheduled to leave for Srinagar in the afternoon where he will address the graduates of the Sher-e-Kashmir University of agricultural sciences.

Warns Against Destabilization

BK111249 Delhi Domestic Service in English
1230 GMT 11 Dec 86

[Text] The prime minister has warned against foreign-inspired attempts to destabilize the country. Addressing a public meeting at Udhampur in Jammu and Kashmir today, Mr Rajiv Gandhi said the central government is making concerted efforts to wipe

out terrorism. The prime minister said the country should be prepared to make sacrifices for preserving its unity and integrity.

Referring to the development of the state, Mr Gandhi said he will try to sort out all pending issues between the center and the state government. He said the accord between the Congress-I and the National Conference led by Dr Farooq Abdullah will usher in a new era for speedy development in the state.

Welcoming Mr Rajiv Gandhi, Dr Farooq Abdullah cautioned the people against forces which are trying to create communal tensions to weaken the state and the country.

Curfew Reimposed in Mysore for Fourth Day
BK111658 Delhi Doordharshan Television Network in English 1600 GMT 11 Dec 86

[Text] In Karnataka, dusk to dawn curfew was reimposed in Mysore City for the fourth day today. Day curfew was relaxed for 3 hours in the afternoon today with an improvement in the situation. Except for one or two minor incidents, the situation in the city is under control.

1 Killed, 5 Injured in Tamil Nadu Bombing
BK111639 Delhi Domestic Service in English 1530 GMT 11 Dec 86

[Text] In Tamil Nadu, one person was killed and five injured when a bomb exploded at the general post office complex in Madura this afternoon. The injured have been admitted to hospital. Explosive experts have been summoned from Sivakasi to investigate. Our Madura correspondent reports that the city police are taking all steps to trace the culprits. Police patrolling has been increased and pickets have been posted at vulnerable points. [passage omitted]

At Marandahalli in Dharmapuri District, a private bus was set on fire. An official spokesman in Madras said four persons have been arrested in this connection.

Meanwhile, the CPI general secretary, Mr Rajeshwara Rao, has appealed to the DMK leadership to give up their anti-Hindi agitation. In a statement, he said the country is facing a threat to its security and unity as a result of the machinations of the imperialists and forces of communalism, separatism, and chauvanism.

Mr Rajeshwara Rao said the anti-Hindi agitation is not only against the Constitution but also against the three language formula, which was agreed to by all the parties.

2 Punjab 'Terrorists' Captured in Delhi
BK111647 Delhi Domestic Service in English 1530 GMT 11 Dec 86

[Text] Two terrorists from Punjab wanted in connection with a series of heinous crimes have been arrested in New Delhi. According to a Delhi police release today, Roshanlal Bairagi, alias Gurudev Singh of Amritsar, was arrested after a chase by a beat constable in north Delhi last night. Avtar Singh, alias Kala, alias Jatika, of Ludhiana, was held after an encounter with the police in east Delhi this morning.

Bairagi, who had escaped from the Gurdaspur jail on 27 January this year, carried a reward of 1 lakh rupees on his head. Avtar Singh was carrying a reward of 50,000 rupees for his capture.

Pakistan 'Pawn' in U.S. Military Chess Game
BK111407 Delhi General Overseas Service in English 1340 GMT 11 Dec 86

[Commentary entitled "Pakistan and U.S. Military Strategy," written by political commentator Raghunath Raina, read by annnouncer]

[Text] The U.S. efforts to arm Pakistan with the latest highly sophisticated weapons have created widespread alarm not only in India but in Pakistan and the U.S. itself. The Pakistani newspapers have underscored the fact that General Zia, by allowing his country sucked into the U.S. defense system, has created new dangers to Pakistan's integrity and made a mockery of its claims to nonalignment.

But even more trenchant criticism has come from the American press itself. For example, the wellknown commentator, Selig Harrison writing in *The New York Times* said: The Reagan administration thinks that Pakistan needs some form of early warning capability to combat Soviet-directed Afghan air force incursions into Pakistan. But Islamabad makes secret of the fact that it wants the Airborne Warning and Control System planes — AWACS — primarily to improve its military balance with India. Selig Harrison has, thus, only confirmed what India has been saying all along. Moreover, quoting American intelligence sources, he has also exposed the plans of the U.S. administration. Selig Harrison thinks publicly the Pentagon — the U.S. defense department — depicts a large scale Soviet threat to bolster its case for the AWACS sale, yet an unpublished defense intelligence study shows that Afghan Air Force border incursions, while frequent, have generally been limited to 2 to 6 miles in disputed border regions and have usually not involved bombing or strafing. Selig Harrison argues that there is such no case for supplying AWACS to Pakistan. He also reveals that the United States, for the first time since 1966, is monitoring Soviet missile tests with ground-based electronic intelligence facilities in Pakistan.

Not only that, Pakistan has apparently provided bases to U.S. aircraft. This has been revealed by another American journal *The Nation*. In a recent issue it said that after the American U-2 surveillance aircraft operating from the Peshawar base was shot down by the Soviet Union, Pakistan's military authorities pulled back from the part of their bargain in the face of international exposure. But, writes *The Nation*, since 1983, according to highly placed military sources in Pakistan, the government of General Ziaul Haq has allowed U.S. P-3 Orion planes to operate out of Pakistani air bases. The writer of the article (Lawrence Leipschetz) says that the Pakistani air force base at Mauripur near Karachi is the most commonly used. (Lipschultz) further says and

we quote: a State Department spokesman confirmed in a recent interview that P-3 aircraft were using Pakistani airfields with the approval of the government of Pakistan. What is even more important is that, accordir g to *The Nation*, Pakistan has been given an important place in U.S. central command. *The Nation* writes: The staging of P-3 flights from Pakistani air bases is one dimension of much broader U.S. regional security vision. At its center is the emergence of the U.S. Central Command or CENTCOM, the sixth such command to come into operation since the second war, but the first new one in more than 35 years.

CENTCOM is now considered on an operational par with the North Atlantic Treaty Organization and the U.S. Pacific Command. Its area of responsibility includes 19 countries — 3 more than NATO in Southwest Asia, the Persian Gulf and the Horn of Africa. Its command area, however, is the entire Indian Ocean and the territory of the 44 littoral, hinterland states in its basin. It is evident that CENTCOM is now the most formidable U.S. military command designated to serve American military interests in this part of the world. And, as *The Nation* points out, in the CENTCOM framework, Pakistan, with its strategic location near the Gulf of Oman, has been designated a critical allied role. It has undertaken a heavy domestic military build up and its military forces are currently active in 22 countries in West Asia and Africa playing a crucial intelligence, training and internal security function parallel with U.S. strategic operations.

It is evident from this account that Pakistan has become a pawn in the American military chess game. Its credibility as a non-aligned nation has worn thin. But above all, as *The Nation* points out, the burgeoning U.S.-Pakistani military relationship could have grave domestic political implications.

Ziaul Haq on Afghanistan, Indian Exercises

BK121058 Karachi Domestic Service in Urdu
0200 GMT 12 Dec 86

[Text] President Mohammad Ziaul Haq has said that he is fully hopeful about the solution to the Afghanistan problem and that this problem can be solved. In an interview with the Asia editor of the London *Independent* in Islamabad, the president said if there is an accord on the agenda for the practical withdrawal of the Soviet forces resulting in a final settlement at the indirect talks on Afghanistan on 11 February next year, we will then be able to [words indistinct] in the 20th century. He said Pakistan's principled stand is for the withdrawal of the Soviet forces as soon as possible. Although Pakistan has not set any deadline for this it does not want it to take a long time. It should be done within a few weeks at the most. In reply to a question on the recent mission of Cordovez, the president said he has made sufficient progress.

On the situation along the Pakistan-India border, President Mohammad Ziaul Haq said although the Indian military exercise near the borders is larger than usual, Pakistan believes that both countries can take steps to save their people from unnecessary concern and worry thus preventing further doubts and suspicions in India and in Pakistan. In reply to a question, the president said there is a convention between Indian and Pakistan to apprise each other in case of any movement of troops near the borders. We have not yet received any intimation from India about any major movement of Indian troops. As far as we know, Indian troops are making combined exercises near our border.

Junejo Speaks on Confidence in Armed Forces

BK111631 Karachi Domestic Service in English
1600 GMT 11 Dec 86

[Text] The prime minister, Mr Mohammad Khan Junejo, has reiterated Pakistan's desire for peaceful and good relations with all its neighbors, but at the same time it will defend its national independence and sovereignty with all means at its disposal. He was addressing the troops after visiting them in the exercise area near Gujranwala. The prime minister said 90 million people of the country have the fullest confidence in their brave Armed Forces. They have glorious traditions and history bears testimony to their bravery. He expressed the confidence that in any eventuality they would rewrite these glorious deeds and would not allow anybody to cast an evil eye on their sacred soil.

The prime minister also assured the Armed Forces that the government is fully alive to their professional needs which would be met despite resource constraints. The troops, he added, are being provided with the latest equipment and given the best of training. But, he said, they must know that the real power lies in their unwavering faith in Allah.

Earlier, the prime minister, accompanied by the vice chief of Army Staff, General Khalid Mahmud Arief; the corps commander; and other senior officers witnessed the crossing of water obstacles by the troops. He met the engineers who had built the bridges there and highly praised their skill. He also appreciated the successful completion of various stages of the exercises.

Later, Mr Mohammad Khan Junejo visited the attack and tactical headquarters of the ongoing exercises and praised its (?staging) and performance.

Chinese Peoples Congress Delegation Arrives

BK111627 Karachi Domestic Service in English
1600 GMT 11 Dec 86

[Text] A six-member delegation of the Chinese National People's Congress led by its vice chairman, Mr Geng Biao, arrived in Islamabad this evening on 9-day visit to Pakistan. Talking to newsmen at the airport, the leader of the delegation said friendly relations and cooperation between China and Pakistan are growing in strength. Politically, we have very good and friendly relations, and, economically, the two countries have been extending support to each others' development. The leader of the Chinese delegation said they are happy that in the last 8 years the economy of Pakistan has been developing at a very fast rate and the living standard of its people has been raised.

The delegation was received by the speaker of the National Assembly, Mr Hamid Nasir Chatha.

Press Note Announces Curfew, Police Action

BK120958 Karachi Domestic Service in Urdu
0200 GMT 12 Dec 86

[Text] A press note issued by the Karachi administration this morning says that a curfew has been imposed in Sohrab Goth area and it will be in force until notice of its relaxation. It says a combined force of law enforcement agencies and various organizations maintaining law and order have been deployed to protect law abiding citizens. Police and excise officials have searched suspicious places in the area for illegal arms and narcotics. A command force has been set up in the area to supervise all operations. The press note also says that all steps have been taken to face any situation. Announcements have been made frequently in the area through loudspeakers, appealing to the people to remain indoors and cooperate fully with the law enforcement agencies. The press note adds that it has been decided to storm the areas of Orangi in order to seize illegal explosive materials and to search suspected houses.

DAWN Comments on Gorbachev's Visit to India

BK111411 Karachi DAWN in English 30 Nov 86 p 8

[Editorial: "Mr Gorbachev's Visit to India"]

[Text] Mr Gorbachev has just completed a highly publicised and, by all accounts, successful four-day visit to India. The atmosphere throughout was warm and effusive reflecting the close ties that bind the two countries. Major agreements envisaging greater economic cooperation between them were also signed. But these facts apart, it is easy to be swept off one's feet by the visit and see it through a miasma of conspiracy and high-level intrigue. India and the Soviet Union have had close relations for the last thirty years. Visits between them are fairly regular. If Mr Brezhnev could journey to New Delhi in his dotage, it should

cause no surprise if Mr Gorbachev, a much younger man, should do so now. Let us not forget that the two countries in Asia with which the Soviet Union enjoys the closest relation are India and Vietnam. Not surprisingly, every major Kremlin address on foreign policy contains fulsome reference to India. Nor should we lose sight of the fact that this is not an unequal relationship.

While India and the Soviet Union have the same views on a broad range of issues, there are points of difference between them too. The Soviet Union may want to hold India in a tight economic embrace but India has seldom put all its eggs in one basket. Warm relations with the Soviet Union have never prevented it from cultivating the same relations with other countries, including the United States. In the statement issued at the end of Mr Gorbachev's visit, the Indian side fell well short of endorsing the Soviet proposal for an Asian and Pacific collective security conference. In this context it is worth remembering that the impetus behind the highpoints of Indo-Soviet collaboration — as for example during the Security Council debates on Kashmir in the sixties or during the 1971 war when India midwifed the birth of Bangladesh — has usually come from both sides equally.

The foregoing is not an apologia for Indian and Soviet foreign policy but merely an attempt to put the Gorbachev visit in some perspective. It is true that we are not on the best of terms with either India or the Soviet Union, both of whom, for this reason, can be expected to probe our soft spots and turn them to their advantage. But it needs to be emphasised that they can only exploit the sum of our weakness and folly, not our wisdom or courage. Any country let alone Pakistan suffering from internal discord and pursuing, at the same time, a high-risk foreign policy makes itself vulnerable on several counts. True, history furnishes countless examples of peaceful nations falling prey to unprovoked aggression. But examples also abound of a lack of wisdom and foresight inviting avoidable destruction.

There should be no doubt in any one's mind that if any single issue can encourage Indo-Soviet collusion (the principal nightmare haunting Pakistan) it is the Afghan crisis. Without in any way forsaking our principles we need to adopt a more flexible stance on the question of a time-frame for the withdrawal of Soviet troops from Afghanistan and the related issue of cessation of external interference in that country. There is no need to be unduly touchy about what is sometimes said on these issues from the other side. If substance of what is said is any guide, it must be pointed out that Mr Gorbachev's remarks on Afghanistan, and also on the related question of American arms aid to Pakistan, were remarkably moderate and conciliatory. This provides grounds for hope that with sufficient earnestness and goodwill a political solution to the Afghan crisis can be found. It is a policy that should receive the unqualified backing of the people of the country.

Friday Prayer Leader Views Lebanon, Montazeri

LD121309 Tehran Domestic Service in Persian
1030 GMT 12 Dec 86

[Text] The Friday prayers' religious-political ceremonies were observed in the venues of divine adoration and selflessness throughout the country in the presence of the Islamic nation of Hezbollahis. In Tehran, too, the God-fearing people held their Friday prayers at Tehran University and surrounding thoroughfares under the imamate of Hojjat ol-Eslam val-Moslemin (Emami-Kashani).

In his prayer sermon, Terhan's ad interim Friday imam referred to recent events in Lebanon and the bloody clashes among Muslim groups. He said: The time has now come for the Muslims and deprived, oppressed people of the world to be vigilant. They should be increasingly vigilant because world arrogance, by using various tricks, stratagems, and deceptions, is striving to sow discord and divisions among these people so that it can continue its plunder and exploitation.

Expressing gratitude to the Sunni and Shi'ite ulema, to the Hezbollahis and Amal Movement in Lebanon, and to the Palestinian groups residing in Lebanon as well as appreciation for the efforts by responsible officials of the Ministry of Foreign Affairs of the Islamic Republic of Iran in establishing a cease-fire between the warring groups, Hojjat ol-Eslam val-Moslemin (Emami-Kashani) expressed the hope that the Islamic Republic of Iran's cease-fire plan would endure. Emphasizing the Islamic Republic of Iran's goodwill, he said: All of the efforts by our officials are devoted to turning the guns of our Muslim brothers in Lebanon and Palestine toward their own enemy — Israel!

Continuing his sermon, Tehran's ad interim Friday imam referred to the political hullabaloo in the United States that is besetting that country's leaders. He stated: All this glory enjoyed today by our country, our people, and the world Muslims is because of the vigilance of the leader of the revolution, and it is here that the role played by the rule of the supreme jurisconsult [Velayat-e Faqih] becomes clear in the various aspects of Islamic society. By following the lead of Islamic law, we neither covet the land of any country nor do we want their problems; if today we are locked in a war against the Iraqi regime, it is because we are defending ourselves against the Iraqi Ba'thist regime's onslaught and aggression.

In conclusion, Hojjat ol-Eslam val-Moslemin (Emami-Kashani), emphasizing the knowledge of piety of Grand Ayatollah Montazeri, said: His grace is one of the illustrious personalities whose various canonical and political attributes, whose political sagacity are well-known to learned scholars and religious seminarians, who know that no one could influence him intellectually; from this standpoint, his grace shall always remain unstained [reference to Mehdi Hashemi].

Musavi, USSR's Katushev View Meeting Results

LD111658 Tehran IRNA in English 1639 GMT 11 Dec 86

[Text] Tehran, Dec 11, IRNA — The Soviet Union regards the progress of the Iran-Soviet joint commission for economic relations as a prelude for strengthening of ties between the two countries, said visiting Soviet official Konstantin Katushev in his meeting with Prime Minister Hoseyn Musavi here Thursday. Katushev, the chairman of the Soviet State Committee for Foreign Economic Relations, briefed the premier on "progress" of talks on the joint commission. Katushev said that his country attaches great importance to the commission.

In reply Premier Musavi mentioned the anti-imperialist stance of the two neighbouring countries and described the grounds for expansion of bilateral relations as "favorable". He expressed satisfaction with the results achieved in the joint commission.

Musavi recalling the Soviet suppression on the Nazi dictator Adolf Hitler's wide-scale aggression on the USSR, said that the 'little Hitler' (Saddam Husayn) should likewise be punished for initiating a war against the Islamic Revolution.

On Soviet forces in Afghanistan, Musavi said that their presence in Afghanistan has offended the Iranian nation and all Muslim peoples throughout the globe. He cautioned that the longer they stayed, the more the U.S. will exploit the issue to advance its hegemony in the region.

Musavi emphasized that the Islamic Republic of Iran calls for an immediate withdrawal of the Soviet forces from Afghanistan and the formation of an anti-imperialist and popular government in that Muslim country.

The Soviet official arrived here on Dec 8, at the head of a delegation.

Economic Talks End; Protocol Signed

LD111848 Tehran Domestic Service in Persian
1630 GMT 11 Dec 86

[Text] The 3-day talks held at the 10th session of the Permanent Commission for Joint Economic Cooperation ended in Tehran this afternoon with the signing of a new protocol on economic cooperation between Iran and the USSR.

According to a Central News Unit correspondent, this protocol sets out various areas in trade, banking relations, and cooperation between the two countries in respect of transportation, a steel mill, power stations, fisheries, manufacturing industries, housing construction, and industrial and technological cooperation.

The protocol on joint Iranian-USSR economic cooperation was signed by Minister of Economy and Finance Mohammad Javad Iravani,representing our country, and by Konstantin Katushev, representing his country. The protocol stipulates that high-level delegations representing the two countries will meet every 6 months and review the understandings reached and the methods by which these will be carried out.

The two countries also compiled a work plan and measures that should be carried out by the next session and they agreed that the 11th session of the Permanent Commission for Joint Economic Cooperation should meet at the level of ministers in Moscow next year.

According to the Central News Unit correspondent, when signing the documents on economic cooperation between the two countries, Mr Iravani, head of the Iranian delegation at the talks held at the permanent commission for joint Iranian-USSR economic cooperation, referred to the efforts made by the delegations of the two countries for a successful conclusion of this session. He expressed thanks for the positive spirit adopted by the head of the Soviet economic delegation and emphasized the good-neighborly relations and expansion in the practical implementation of economic cooperation between the two countries in various areas.

He stated: We consider the holding of the 10th session of the joint economic commission as tantamount to reviving the commission for cooperation between the two countries, and we believe that the implementation of the accords arrived at during this session will speed up the course of the expansion of relations between the two countries. Mr Iravani expressed the hope that next year's session of this commission will further expand the prospects of joint economic relations.

According to the same report, the head of the Soviet economic delegation, when signing the documents relating to economic cooperation between the two countries, stated: The chief purpose of our work at this session was to review the present state of Iranian-USSR economic cooperation. He added: We studied all those issues that were on the agenda of Iranian-USSR joint economic cooperation and we reached accords accepted by both parties in all respects.

At the talks the expansion of relations between the two countries in accordance with international norms and the principle of mutual respect as well as equality and nonintervention in each other's affairs and mutual interests were considered and we arrived at positive results through the efforts we made. He added: This session has helped us to become familiar with each others' stances on many issues. We took some very positive steps forward and prepared a good program of cooperation between the two countries, the implementation of which will demonstrate more clearly the results of this session's work.

Statement Condemns Palestinians' 'Massacre'

LD111842 Tehran IRNA in English 1755 GMT 11 Dec 86

[Text] Tehran, Dec 11, IRNA — Iran's Foreign Ministry Thursday strongly condemned the recent massacre of defenseless Palestinian Muslims by the regime occupying Palestine and described the latest terrorist acts of the Zionist regime as best evidence of the false claim of the global arrogance that it opposes terrorism.

A statement released by the Foreign Ministry, said that the Palestinian people's mass uprising in the occupied West Bank and the Gaza Strip has put the Al-Quds occupying regime in a jeopardy.

At a time when heads of reactionary states in the region are racing to reconcile with and open the gates of their Arab and Islamic land to the Zionists and their Western supporters, the mass uprising in the West Bank is a decisive response to these compromising leaders and detractors of Palestinian cause, the statement said.

Elsewhere, the statement said that opening fire on Palestinian women and children as well as massacring innocent people defending their just rights single-handedly, have provoked such a disaster for the Zionist entity that not even the great Satan (U.S.) dare to veto a UN Security Council resolution on deploring Israel's barbaric acts.

The defenseless victims of the oppressed Palestinian nation bravely resisting the Zionist criminals, who are armed to their teeth, are proofs exposing the imperialist powers' hypocrisy of being opposed to terrorism, the statement said.

The statement, announcing the Islamic Republic's condemnation of the savage crime against Palestinian Muslims, pledged Iran's full support for the oppressed Palestinian people in their just fight against the Zionist regime.

It also called on Muslim, Arab, and non-aligned countries to prevent such crimes and stage an all-out struggle against the regime occupying Palestine.

Former President on Impact of U.S. Contacts

PM101451 Beirut AL-NAHAR AL-'ARABI WA AL-DUWALI in Arabic 1-7 Dec 86 pp 26-31

[Unattributed interview with former Iranian President Abolhasan Bani-S[illegible] in Paris; date not given]

[Excerpts] Question: You have played a role in exposing the Iranian-U.S. rapprochement, which is the topic of the hour. The first thing that occurs to me is to try to find out the background and elements of this rapprochement and whether it is new or old....

Answer: This rapprochement is not new. But there is a question I wish to ask before I answer your question: Why is the U.S.-Iranian contact now taking the form of a scandal, and why is it engulfed in such clamor? I suggest that it is because the Iranian revolution brought about a change in this world, because it succeeded in rejecting rapprochement with either superpower, and because it gave strength and momentum to the concept of independence. But the Americans want to prove now that nothing has changed, that things continue to be as they were before the revolution, and that when the need arises even Khomeyni goes to them asking for assistance. Thus, the Americans want to convince the Third World, especially the Islamic countries, that there is no alternative to alignment with the United States or the Soviet Union — which means dealying the great change in our world. This is the basis of all that has happened and is happening. [passage omitted]

In Your Country, Lebanon

Question: You refer to the aid, exposed by U.S. intelligence, that has supposedly been offered to the Iranian opposition, excluding you.

Answer: This aid has been offered to Iranians and to others also. It has included some people in your country, Lebanon. When Khomeyni asks Reagan to replace Saddam, that request in itself is a victory for Reaganism. Therefore, I say that since the inception of the Iranian revolution, the United States has chosen this tactic to soil us. [passage omitted]

I say again that a U.S.-Iranian contact is not new. When I was in power, Beheshti — and his party, which included Hashemi-Rafsanjani and others among its leaders — was in contact with the Americans. At the same time, the Americans contacted some of my advisers to establish relations with me. I rejected their endeavors and wrote to my adviser in Europe who conveyed the American wish to me that relations must, first be between two states and not a state and an individual and that, second, the Americans wanted to tarnish my reputation so as to expose me. We must fight their endeavors.

Question: Have they exposed all those dealing with them?

Answer: Yes, they have. You may read what *The Washington Post* has published. They have exposed Madani, Amini, Reza Pahlavi, and Rafsanjani. They have exposed all those who got money from the CIA.

Question: Did Ayatollah Rafsanjani meet U.S. envoy McFarlane when the latter visited Tehran?

Answer: It is not important whether he did nor did not meet McFarlane. What is important is that Rafsanjani has relations with them. They staged their coup against me because they had gotten an American pledge that the United States would supply them with weapons to continue the war. I revealed this as soon as I left Iran. Events have proved me right. Since then, they have been supplying Iran with weapons so that it can continue the war for as long as possible, not so that it can win.

Our Fundamentalism and the West's Fundamentalism

Question: Could a U.S.-Iranian rapprochement not contribute to ending the Iraq-Iran war?

Answer: The United States wants this war to continue. So how could it work to end it? There is only one condition that could encourage it to end the war, namely when it becomes certain that its schemes are about to crystallize. The Americans have reached a four-point agreement with Rafsanjani. If this agreement crystallizes, it will constitute a major victory for Reagan. In any case, Reagan himself declared this when he spoke of a "big risk for a big benefit." [passage omitted]

But this is just a political game, no more and no less. It is a game that ignores the facts and that is why it has been destined to fail. It is true that this game has succeeded in achieving one of its objectives, namely to place OPEC under U.S. control. But the other objectives — replacing Saddam Husayn, establishing an Iranian regime close to the United States, and controlling the terrorist groups — have not yet been achieved. Who can guarantee that the Americans will not use the terrorists against us? They are capable of making a 180-degree turn in their policy. However, the fact is that there are agreements between Reagan's United States and Khomeyni's Iran. [passage omitted]

Question: Was Imam Khomeyni unaware of the agreement you are talking about?

Answer: It is evident that he was. He has said that the CIA agents were carrying forged passports and that they were taken to a hotel, and so forth. The first contradiction is that they did not announce the Americans' visit until the truth was revealed. They could have summoned the journalists as soon as the Americans arrived and told them: We present to you Mr Reagan's aide who has come with a forged passport. Had they done so, they would have been the ones to reveal the truth and the White House would have turned into a black house. But to wait until the issue was exposed internationally, to ignore the deputies' questions in the parliament, and to talk as they are trying to talk is a contradiction. Another contradiction is: What weapons have they been fighting with? I have been saying that the Americans have been supplying weapons and the Americans have been denying it. This time the Americans have been compelled to say: Yes, it is true that we have been supplying weapons for 6 years. So an agreement has existed between Iran and the United States. But the Iranians do not have the political ethics that Reagan, despite all his weakness, possesses. He has shouldered his responsibility, which is something that Khomeyni has not dared to do. [passage omitted]

Two Plans of the Khomeyni Regime

Question: Can we link the Syrian-Saudi-Iranian contacts with the U.S.-Iranian rapprochement in order to visualize a solution to the Iraq-Iran war?

Answer: We must make a distinction between two plans for which Khomeyni's regime is working: one with the Soviet Union and Syria, and the other with the United States and Saudi Arabia. Some points in the two plans are similar. However, the first underlines a complete change in the Iraqi regime's mechanism and its replacement by a mechanism close to Syria. As for the second plan, i.e. the U.S. plan, it is only interested in replacing the head while maintaining the apparatus. The price of the first plan, i.e. the Soviet one, is concessions in oil from the north [of Iran] and a position of non-hostility to the Soviets in Afghanistan. This plan has been called the "Red Belt" because if achieved, it will assure the Soviets of influence extending from Afghanistan through Iraq and Syria to the Mediterranean. The Army, the people, and some leaders such as Montazeri, oppose this plan. Montazeri is trying to discern his own future in these plans, all of which ignore him. However, the Soviet plan has in fact been no more than a screen for the U.S. plan and has been intended to camouflage the progress achieved by the U.S. plan, which was supposed to be implemented in the wake of the Al-Faw victory. After that victory it was said that the plan had crystallized and that Saddam was about to depart and be replaced by Na'im Haddad, but that the Syrians obstructed it. I have gathered this information from the Iranian side. It was later said that the Soviet plan had come so close to succeeding that the Iranian foreign minister told those close to him 2 months ago that the Soviets had promised to remove Saddam within 6 months, i.e. by the end of the year the Iranians were calling the year one of victory. What is important in all this is that the Iranians have realized that military victory is impossible. This is why they are seeking a political victory through the Soviets or the Americans. The difference is that the Soviets and the Syrians do not possess

the means to achieve their plan. But if the Americans manage to achieve their plan, they will have to satisfy the Soviets either with oil from the north or with various promises at Iran's expense.

Question: The Iranians constantly say that the Gulf states want to end the war at any price....

Answer: I do not agree with that analysis.

Question: ...Even if the price is the replacement of the Iraqi president. Why?

Answer: This [not further specified] proves that they will not agree to end the war at any price. If a new regime compatible with their policy is set up in Iraq, then they will agree to the ending of the war. But peace does not mean giving the area's keys to Reagan. We want peace with independence, not peace with complete capitulation to the United States. This is on the one hand. On the other hand, why did this war start? What interest did Saddam have in attacking Iran? I see no interest. It was a mistake on Saddam's part. He imagined that the Iranian Army was weak. Bakhtiar and others misled Saddam by telling him that there would be no resistance, that the Iranians would join the Iraqis and that he would become the area's strong man in a matter of days. All this is in the realm of the imaginary, not the real. It is exactly what Reagan and Rafsanjani imagined they could accomplish. But the Americans did have an interest in the outbreak of this war. Was that interest the hostages' lives? Not at all. They wanted to break the tide of revolution in the area. [passage omitted]

There Will be no Succession

Question: Does the U.S.-Iranian rapprochement reflect directly on what has become known as the "succession war" in Iran?

Answer: There will be no succession. I have said this repeatedly and I am reaffirming it now. This regime is doomed to die and Khomeyni himself has signed the sentence. This regime established a constitutional law and then turned against the first president elected under that law. It replaced that president and when the replacement was assassinated a third president was brought in, but Khomeyni prevented him from selecting his prime minister. On the other hand, Khomeyni has appointed his own successor, thus violating the constitutional law. We find this practice of naming successors only among monarchs. Moreover, Khomeyni attacked his successor in his latest speech, describing him as a "murderer" and a "terrorist," and he has arrested 150 of that successor's supporters. How can the ruler, who is supposed to embody religion and the spirit of faith, condone close associates whom he describes as murderers, terrorists, and thieves? So much for Montazeri.

On the other hand, do you think Khomeyni would ask for Reagan's aid if he believed that his regime was strong? The mere fact that they have requested Reagan's aid proves that they are not confident of their future. The people will not replace one dictatorship by a more reactionary and bloodier dictatorship. They fought the revolution to win democracy and they will have that democracy. Everything indicates that we have come close to it. It is true that the Iraq-Iran war has delayed the democracy plan, but it has not changed it at all. A nation of 50 million people cannot be ruled in the manner in which Khomeyni is currently ruling them under wartime conditions.

When Khomeyni personally denounces his successor and when Rafsanjani, the regime's "number two" man, is exposed in the manner in which he has been exposed by the U.S. media, who is going to succeed Khomeyni? Nobody. [passage omitted]

Question: How do you interpret the release of the Hashemi brothers within the framework of this struggle for power?

Answer: They are strong in the Esfahan area. Everything is under their control. It is said that to see Hashemi, one has to go through seven offices and an army of guards, as if Hashemi were a king. In that area he acts as if he owned everything.

Restlessness in the Army

Question: But it is said that the Hashemi brothers have been released for reasons connected with the balance of power within the current regime?

Answer: That is true. They were released in the wake of the exposure of the contact with the Americans. They were released because the authorities lacked the power to keep them in jail. The situation is confused at present. What Khomeyni said has convinced nobody. Rafsanjani has become an agent of the United States and Montazeri has been exposed because he depends on these people of ill repute (the Hashemi brothers). To survive, they have to unite their forces, especially since the Army has become restless with the arrest of Colonel Katebi, the number two officer in the Second Bureau, and 199 other officers because they Army took a position on the Reagan-Rafsanjani agreement. Under that agreement the Revolutionary Guards would become the country's main armed force — which means the dissolution of the Army. That is why the Army protested and showed its displeasure. The problem is obvious. There cannot be two armies. The main army at present is the Revolutionary Guards Corps. This is why the Americans have clearly chosen Mohsen Reza'i. I received news of the arrests a week ago but did not recieve the explanation until yesterday. [passage omitted]

Question: Excluding the leaders, have the Revolutionary Guards supported the agreement with the United States?

[Answer] No. There is total confusion on the outside and meetings are being held to discuss the agreement and what has happened with Montazeri. There is an important point that I have experienced closely and that we must realize. Why did the shah depart? He departed because he lost esteem in the Army and was no longer a respected commander. [passage omitted]

The Army is proud and its commander must be an upright and courageous man. Who thought that Khomeyni would contact Reagan to overthrow Saddam? Nobody thought so because it was said to be a war of faith. Now everyone realizes that it is a war for Reagan, to bring him into Iran. Everything has changed at the level of convictions. There is no longer a respected military commander. This is what scares the regime and what made Khomeyni say 2 weeks ago that the regime is stable thanks to the Armed Forces. This means that he has returned completley to

what the shah used to say. Previously, Khomeyni considered Islam the base of this regime's stability. This proves that a change has occurred.

Question: When Khomeyni says "armed forces," does he mean the Guards or the Army?

Answer: Outwardly, he means both. But to him, the Revolutionary Guards are the Armed Forces.

Question: In your opinion, does the future belong to the Revolutionary Guards or to the Army?

Answer: To neither the Revolutionary Guards nor the Army. The future belongs to democracy. We are paying dearly for this democracy, but the outcome will certainly be in its interest. This is because our awareness has reached a level that accepts no dictatorship. Let me offer you a theoretical explanation of my concept. For dictatorship to prevail and remain stable for a period of time, the rulers' awareness level has to be higher than that of the ruled. If the inverse situation exists, it becomes impossible for a regime to remain stable. In the case of the Soviet dictatorship, for example, the stability will continue until the people's awareness level rises above that of the rulers. In Iran, the clergy's awareness level is lower than that of the people. This is why this regime cannot survive. This applies to other peoples and countries. I repeat that our people have attained an awareness level that rejects dictatorship because it is a legacy of the past.

The Hashemi Brothers

Question: Is the release of the Hashemi brothers connected with their role at the head of the underground Hadafi organization?

Answer: The Hashemi brothers are to blame for numerous things, including their seizure of SAVAK's files on the clergymen, the accusation that they tried to assassinate Rafsanjani, Khamene'i, and others by introducing terrorists into these officials' headquarters, their kidnapping of the Syrian charge d'affaires, and their attempt to sneak weapons into Saudi Arabia during the pilgrimage season to sabotage the Iranian-Saudi-U.S. rapprochement. There are other accusations which prove that the Hashemi brothers have a network for carrying out such acts. It is also said that Hashemi's men go to the battlefront where they collect weapons and money from the dead and then spend the money and hide the weapons. All this proves that they have a network that operates not only in Iran but throughout the area. The Hashemi brothers are the ones who set up the Lebanese organization loyal to Iran. It is said that they have nearly 1,500 men, not all of whom have been arrested. Even though Reshahri (the security minister) has urged them to turn themselves in, they have not responded and have continued to be free and influential. They are the ones who exposed the McFarlane issue to the press in Lebanon.

Question: So their arrest at the outset was, to a degree, in implementation of the U.S.-Iranian agreement?

Answer: Of course, Rafsanjani had planned to bring these organizations under his control. He began by approving the budget allocated for assisting the revolutionary movements ($500 million). This budget is subject to the prime minister's approval, i.e. it is under Rafsanjani's control. Rafsanjani then began to gather documents in preparation for his attack on those who supervise these organizations in Iran. When he completed his plan, he submitted a report to Khomyeni and got his approval to move. However, Rafsanjani's movement had two objectives: first, to gain control over the networks launched from Iran and Lebanon and operating in all parts of the world; and, second, to deny Montazeri all power. In fact, Montazeri now has no power whatsoever. Thus, Rafsanjani continued to advance until he was exposed. What he and Reagan disregarded is the strength of the truth, the revelation of which has changed the balances of power within the regime. To the Revolutionary Guards and to the people, Montazeri seems to have been done an injustice and this has compelled the other party to back down and reassess the situation. Even Hashemi's position has improved because the issue concerns contacts with the United States. This does not mean that Hashemi is innocent of the accusations made against him. But Rafsanjani is not the one who can task him with them. Arrivals from Iran have told me that when Reshahri arrested Hashemi, Montazeri summoned Reshahri and asked him: What is going on? Reshahri answered that it was Khomeyni's order. Montazeri said: How could the imam issue an order without your telling him anything? What did you tell him? Reshahri answered: We told him that Hashemi was engaged in "devilry" (sedition). At this point, Montazeri asked: And have you told him about his son's "devilry"? This is very significant because Montazeri openly accuses Ahmad Khomeyni of plotting the "secret agreement." In doing so he accuses Khomeyni himself. I have also been told of another incident in which Khomeyni one day criticized Montazeri and accused his office of hatching plots. Montazeri responded: It is not my office that is hatching plots but all those now gathered here — implying that the real plot was the one being hatched by some officials with the United States. To Montazeri, Hashemi was arrested not because he had committed acts of murder, theft, and terrorism but because he exposed the Iranian-U.S. agreement.

Syria and Lebanon

Question: Where does Syria stand with respect to all this, especially with respect to the Iranian-U.S. agreement?

Answer: I believe that they are very embarrassed and do not know what to do. They are very angry now that they have discovered that Rafsanjani has been toying with everybody — with them, the Americans, the Saudis, and the Kuwaitis. In any case, the Syrians have participated in exposing the agreement through the magazine *Al-Shira'*. The situation is presently frozen. If my analysis is correct, the Syrians may take the opportunity to end the Hizballah influence in Lebanon and to control it completely. It seems to me that this is very likely. At another level, the Syrians could change their position on the Iraq-Iran war now that they have discovered that there is a plan to set up a new Iraqi regime sympathetic to the West. Any change of this kind in Iraq will not be in the Syrians' interest.

Question: What is your assessment of the experiment in exporting revolution as demonstrated in Lebanon?

Answer: It is not exporting revolution but ridiculing revolution. A revolution reduced to holding hostages and other such activi-

ties is a major loss to the Shi'ites in Lebanon and to the entire Lebanese people. The result is this tragic situation in which Lebanon currently lives. [passage omitted]

Question: Does this mean that you see Iran as having no interests in Lebanon?

Answer: Yes. The Iranian regime is an isolated regime that has made terrorism its foreign policy. What is Iran's foreign policy? It is terrorism. How does Iran solve its problems with the Europeans? By terrorist operations. That is why it has a major interest in Lebanon. [passage omitted]

Islamic Republic

Question: There is talk of an "Islamic republic" in Lebanon. In your opinion, is this idea achieveable?

Answer: It is not only unachievable, but the Lebanese themselves do not want it. People are being misled. What republic? Is there an Islamic republic in Iran? If there is, then it is either in abeyance or suspended. Did the people know that McFarlane was in Iran? Where is the republic? All this is ridiculous. Did the Iraqi people know that Saddam was going to attack Iran? The important thing is: How can something which does not exist be expected to appear among us? They talk about Islam in Iran: Where is their Islam? Why am I here if there is Islam? I have spent all my life studying Islam and published 40 books about Islam. I was the first elected official and I was the one whom Khomeyni himself called the theoretician of Islam. How can a person like me be a virtual prisoner here in France if an Islamic regime exists there?

If the Imam Dies

Question: Is the regime in Iran through?

Answer: It ended sometime ago. Every regime in this world needs legitimacy. The Iranian regime's legitimacy comes from the faith. Islam is the law. Khomeyni himself said here in Paris that the Islamic government is a government of law. The regime ended on the day it sentenced people to death without trial. It no longer had legitimacy. So there is an organized force in control but there is no government in Iran. Do you want a more eloquent example than what has happened with the Americans? They concealed the truth until it was exposed. Who revealed it? A front within the regime. Why? Because it is a regime in which every individual carries out his foreign policy as he wishes. Rafsanjani, Khamene'i, Montazeri, Ahmad Khomeyni, and Khomeyni himself have each had their foreign policy and their own foreign minister. How can a regime survive as a regime when it has five or six foreign ministers? Ahmad Khomeyni carries out his foreign policy through Sadeq Tabataba'i, his brother-in-law. Rafsanjani, Khamene'i, and Montazeri have their people who are entrusted with their foreign policy.

Question: What will happen if the imam dies?

Answer: The situation is very vague and nobody knows who will succeed whom. Montazeri? In his present situation and since they entered and searched his house, he can no longer make decisions on anything. What is important is to understand that they have been unable to convince the people that their dictatorship is better than the shah's dictatorship. The others are branded. *The Washington Post* exposed Reza Pahlavi and said that he was a toy in the hands of U.S. intelligence. A CIA agent cannot be shah of Iran. I do not think that the Americans themselves will try to impose him. How could they justify it? So there is a dilemma for those close to the previous or present dictatorships. A solution must therefore be sought among the people's ranks. A search must be made for an axis capable of offering a new form of government and of providing a way out of the crisis. As for seeking a solution within the Khomeyni regime, Khomeyni himself has been fortunate in being able to convince everybody that, while he lives, there is no solution to the crisis within this regime — as evidenced by the fact that Khomeyni himself has denounced his successor. Can we imagine Iran without government? Perhaps, perhaps. We will then become like Lebanon — and that is in nobody's interest.

I Will Return Triumphant

Question: Will Abolhasan Bani-Sadr remain in exile?

Answer: Of course not. I have always said that I will return triumphant. As you can see, the analysis I offered from the outset has been correct. Loyalty to the truth continues to be profitable. There is an important I will not exchange for anything else, namely being the first person in Iran's history to be elected by a revolution. If I betray that, then it means that the people were not qualified to choose. That is why I must endure all the difficulties here and must remain loyal to the revolution's principles. That is what I am doing. The revolution is a mighty step toward liberation and toward opening new horizons for man. If this is true, then I must return, I will return; there is no doubt. [passage omitted]

Commerce Minister Speaks Further on Economy

PM101051 Tehran KEYHAN in Persian 2 Dec 86 p 18

[Second part of *Keyhan* exclusive interview with Commerce and Trade Minister 'Abedi Ja'fari; date and place not given]

[Text]['Abedi Ja'fari] The government has taken measures in the field of domestic trade to counter the conditions imposed by foreigners and strengthened by their internal elements. The most important measures taken are these: Within the goals of the new economic program it is stressed that there should be no basic changes with regard to providing essential items for the people. Rather, we should have limitations for the provision of those goods that are not essential.

For example, our annual sugar consumption was some 1,250 tons. Of course this was when it was rationed. In the new economic program, outside of family consumption, sugar is not recognized as an essential item. So our new policy is to keep the ration level for families stable, but to limit the use of sugar outside the family unit — for example in industry. This policy has been implemented and in total our sugar consumption in 1986, continuing into 1987, has been reduced to 1 million tons. The decrease in rationing was done so as to cause the least amount of damage to employment in guilds and industry.

Similar measures were taken for other items such as edible oil and so on. In some cases where the rationing was thought to be too little for families, the government has always tried to raise the levels. The effect that the changes and the new economic program have had on the domestic market is that they have brought some pressure on our people. Officials and those involved are aware of this pressure and are thinking of ways to alleviate it. Of course it must be said that if the government had not entered the scene with all its might, under the present conditions the pressure on the people would have been far greater. The fact that the government got involved has helped to minimize this pressure on the public. So the internal distribution system has been dealt with within the framework of services. With regard to limitations on imports and internal production, the government has used mechanisms in the domestic distribution system so the consumer can benefit from all that is available.

As far as essential items are concerned, rationing and the coupon system will continue the way it is now. At least this way our oppressed and poor people can be sure that the ration that has been put aside for them will continue to be provided. One of the main problems with the present system of distribution is the fact that the private sector continues to have a large cash flow on its hands. Collecting this excess cash flow has not been totally completed. In order to keep this high cash flow going, the private sector is still trading in some items needed by the public and it is through this method that this sector continues to place great pressure on the consumers.

[Keyhan] What effect has the government's new economic policy had on domestic trade within the private sector? Under the present conditions, when we are facing severe shortages, resources have to be allocated carefully and this calls for further government involvement as a responsible source in charge of safeguarding the people's interests. At this time it seems that the role of the private sector in the field of domestic trade has to be decreased, but figures show that it is very high. How do you feel about this?

['Abedi Ja'fari] The system of internal distribution has very basic and fundamental problems that have to be corrected. We also have to use the present circumstances to the utmost in order to correct these problems. On the other hand the system has inherited some problems which also exist in other economic sectors.

For example, the shortage of imported and locally-produced goods is one of the problems that is passed on to us from other sectors. Then, the issues of the distribution sector are fundamental ones that have to be corrected. Of course the government is not planning in general to nationalize the domestic trade market. What the government sees for internal commerce is that cooperatives and private businesses should also have a hand in the domestic market.

But what the government is insisting on is that first of all priority be given to production rather than to middlemen or any type of salesmanship. This means that the backbone of our internal commercial sector has to be made up of small producers, the way it was in the Islamic market system before the onslaught of Western culture and propaganda in Iran. The other point that the government is insisting on is supervision of the actions of the cooperatives and the private sector to ensure that the consumer gets what he needs. If God is willing, we should be able to use the present conditions to put these policies into action and to have the government supervising the distribution, done by various guilds in such a way that the consumer suffer only the minimum amount of damage.

[Keyhan] You said one of the basic plans of the new economic program is to provide essentials for the people. It seems, however, that the government has clearly decreased some of its support within the new economic package. Some of these things that involve the Ministry of Commerce include the distribution of lighting material, rice, and so on. Do you not think there is a contradiction between "providing the essentials" and the decrease in "support policies?"

['Abedi Ja'fari] With regard to the government's policy of supporting the downtrodden masses, the aim is not to lessen this support. What has been thought of in this program and implemented in several sessions is that the best and simplest way for the country's total earnings to be placed at the disposal of the people is through providing the basic essential items that are needed by the majority of the people. It must be said that this is placed at their disposal like booty because it is theirs to begin with.

The government is also insisting on providing these goods at the proper time. For example there has been no change in the government's support system for bread, tea, sugar, cooking oil, rice, and other essentials. The prices for these items will continue to be what they have been so far and the rations will also continue the same way.

Of course, it is possible that there may be some problems caused by world aggression and its internal lackeys with regard to the distribution of some items for a short period of time. But these problems do not mean that the government will cease its support with regard to these goods. This is absolutely not the case. In fact, the government feels a responsibility to stress its support both in promises and in action under the present conditions.

[Keyhan] Would you please give some details on the extent of guarantees and also on the conditions that are considered in our foreign purchases?

['Abedi Ja'fari] There are two points that have been considered in this matter. One is that the commercial values governing the world are not within our Islamic framework. This means that we have to conduct our affairs in an international trade community not governed by Islamic values. Of course there are other values, such as the prompt delivery of goods, but in the sense that you are talking about it must be said that those values absolutely do not exist in international relations.

The second point is that the purchases made by the provision and distribution centers of the Ministry of Commerce are based on the laws passed by the Revolution Council dealing with the formation of these centers. We must honestly say that these are the best purchases of the Islamic Republic because these centers have the latest and most complete information and figures on world markets as well as prices in various countries. Purchases

are made using this information. Recently the Ministry of Commerce managed to computerize the whole lot. Today the particulars of all importers are stored in the computer with a special code and number, the amount of trade accomplished so far, the kind of goods bought, and so on. The centers' computer also has all the particulars of the seller, his background, and the kind of goods sold to Iran. There are also records of all items, with all their particular backgrounds, prices, quality, and place of purchase.

Therefore, the actions taken by the provision and distribution centers with regard to foreign purchases are at their best in terms of technical facilities and expert manpower and in terms of their dedication and allocation of power in various areas. We must stress strongly that this investment is an expensive one for the regime and for the implementation of Article 44 of the Constitution. Yet there are still some problems.

The first problem is that these centers carry out a small percentage of the purchases made by the Islamic Republic. There are many different organs that do the buying in the Islamic Republic and their amount of purchases is many times higher than that made by these centers.

The second point is that some of these other purchases that are made by various groups or individuals do not legally have to go through these centers or have their prices controlled. This means that legally they are exempt from having their prices controlled by these centers, whose main task is price control. This occurs when the public places all the blame on the Ministry of Commerce when any item has the slightest problem.

So there has to be a classification so that if, God forbid, there is a problem with regard to a foreign purchase, we can find out where the goods were bought, who bought them, and if the goods were priced by the centers of provision and distribution.

Apart from this, the purchases made by these centers, the private sector, and the government, which deals through the centers, can all be divided into various segments.

One group includes the things bought using the experience of the centers. Another group includes those purchases made when the centers were first established. Unfortunately, today we see that all these things are mixed up. For me, as the responsible person in the Ministry of Commerce, it is amazing to see that purchases made in 1980 and 1981, which had some problems, are mentioned without quoting dates. People figure that the government bought these items through the Ministry of Commerce and act as if the government bought these things this year or last year. This is the first problem.

The second problem is that I must admit honestly that people think of some purchases made by the private sector as having been made by government centers. There were some obvious cases of this misunderstanding and when we followed them up we saw that the purchases were not made by the Ministry of Commerce at all. In this confusion there are some who want to abuse the situation and defame the government and the experienced Muslim brothers who are today working in the Ministry of Commerce with all its facilities.

Some of the issues that were mentioned with regard to some purchases were followed up. For example, there is the case of the one issue raised in the Majlis by the Commission in charge of Article 90 [of the Constitution]. An answer has been prepared for the question raised and it will be presented to the Majlis. But the question was baseless. This means that the report given to the Majlis with regard to purchases, the quality of our management, and our buying procedures were all contrary to truth and reality.

The Ministry of Commerce itself, because it has a system of control over the purchases it makes, takes certain actions so that deals do not have to face problems. One of our tasks is to control the centers of provision and distribution themselves. But even this is not enough because the office of the deputy minister of trade and commerce in charge of purchases gives all purchases one final check. Even this is not enough. We have created offices in the major marketing centers of the Islamic Republic and their task is to control local prices. These offices have the latest information on purchases and they compare these with the conditions of sale put forward by our own centers of distribution and place all their information at the disposal of our centers.

80th OPEC Session Viewed; Termed 'Thorny'

NC111115 Tehran Domestic Service in Persian
0430 GMT 11 Dec 86

[Commentary by the Research Group of the Central News Unit, entitled: "OPEC's Efforts To Raise Oil Prices"]

[Excerpts] The 13 OPEC oil ministers will hold their fourth meeting of the year today in the wake of the great oil price reduction crisis. This will be the 80th official session of the organization in Geneva. The agenda is topped by the oil price crisis and includes establishing new prices, production ceilings, and quotas for individual members. [passage omitted]

Since the 79th session, a price of $18 per barrel has been suggested and is being pursued by the new Saudi oil minister, who replaces Zaki Yamani. The OPEC Price Committee stressed at its session in Quito the need to attain a price of $18 per barrel by adopting a new means of operating. The 80th OPEC session is being convened at a time when all members concur on the price of $18 per barrel. The only difference is that the progressive OPEC group led by the Islamic Republic of Iran sees the $18 price as a stepping-stone to a price of $28 a barrel. The other members do not seem very insistent about achieving this objective.

despite the present concurrence on the $18 price, the members differ on the means of achieving such a level. Iran's strategy consists of reducing production, specifying a price index for OPEC based on one kind of crude, and assigning one floating producer. Of course, attempts to approve such methods have always met with bottlenecks. For example, decreased production demands specifying the production ceiling and quotas, and achieving an agreement on these points seems very difficult. In the present conditions of extreme financial pressure, none of OPEC'S members are willing to reduce their quotas. The main characteristic of Iran's strategy is to coordinate the objectives and the means of achieving them. There is a coterie within OPEC

opposed to this strategy which has so far been spearheaded by Saudi Arabia. This group has declared its willingness to adopt the $18 price but has identified no means for attaining it. The same clique suggested late last year a plan for netting a just share of the market or glutting the market with increased production, thus preparing the ground for plummeting oil prices.

Countries which have insisted on a just share of the market, led by Saudi Arabia, have not yet announced a change by relinquishing such a policy. Although some analysts have interpreted Yamani's removal as an indication of Saudi Arabia's inclination to reject overproduction, it does not seem that the replacement of one person can signal a change in Saudi Arabia's strategic or fundamental policy. The dismissal of one individual may be merely a part of a change in the overall strategy.

In any case, if we concede that Yamani's removal has no logical connection with the Saudi policy of a just share, the contradictions of such a strategy surface. How can a price increase be achieved with simultaneous insistence on the policy of a just share of the market and an oil glut? How can a change in the system of fixing OPEC prices — as recommended by the Quito session — and a change in quotas without reducing the production ceiling lead to higher prices? Under such conditions we must note that a change in OPEC's pricing system and reshuffling of quotas without a concomitant change in the production ceiling will pose a complex problem.

Eliminating ambiguities and contradictions and adopting acceptable means for reaching the $18 level are among the problems the 80th OPEC session must address. In this regard, this session may be deemed one of the most thorny in the history of this cartel. OPEC must raise its price in this session, because it has only a 2-month grace period — January and February 1987. This is a peak demand period because of cold weather. The onset of March and the warm season will negate all efforts to raise prices.

As for the $18 price, it does seem that the most powerful groups in the international oil market will be able to agree in reaching that level, and in view of numerous political and economic factors, it is being predicted that the OPEC price will stabilize at $18 for the next 2 of 3 years, paving the way for new changes. But the answers to whether and when the oil market can achieve an $18 level can be found only in the decisions made and steps taken by the groups wielding power in OPEC and in developments in the oil market.

Guards Corps To Supervise Customs Services

PM101523 Tehran KEYHAN in Persian 1 Dec 86 p 17

[Untitled report by unidentified *Keyhan* correspondent]

[Excerpt] Esfahan — Supervision of all the country's customs is to be handed over to the Islamic Revolutionary Guards Corps [IRGC] of the Islamic Revolution Committees [IRC].

This was announced by Commander of Iran's IRC Hojjat ol-Eslam Serajjedin Musavi at a seminar for IRC commanders in Esfahan.

Commenting on this issue, Musavi said: We need enough money to implement this plan. For example, of the 10.5 billion rials which constitute our budget this year, some 10.38 billion rials have been spent on monthly salaries for our personnel.

The IRC commander continued: Some 90 percent of IRC offices belong to the Foundation of the Oppressed and, despite their huge workload, the IRC's control only 10 percent of their legal offices. So, following consultations with the prime minister and confirmation from the Imam, it was decided that the locations for all IRC offices under the control of the Foundation of the Oppressed should be returned to the Committees.

Musavi said one of the main purposes of the Esfahan seminar was to discuss issues and shortcomings of the budgets for the current year and for 1987.

Concerning IRC actions Musavi said: The IRGC members of the Committees have managed to recover some 10 billion rials' worth of smuggled goods in Chah Bahar alone — which is significant.

He added: In order to teach the IRC brothers to behave correctly toward the public, the necessary coordination has been undertaken to set up a center in Qom where the brothers can learn their religious limitations with regard to their treatment of people before they start work. This way, there will be no further problems.

The seminar continued with a speech by one of the brothers discussing the budget for 1986 and 1987, its shortcomings, and the bill proposed by some Majlis deputies with regard to the creation of an organization to combat narcotics. He said: Since we expect the IRC to complete its given tasks to the best of its ability, we should also consider its finance as compared with other law enforcement agencies.

He added: During the current year we have taken three times as much as our Majlis-approved budget in donations in kind and have turned this sum into cash for spending. This indicates our need. [passage omitted]

Guards Corps Shells Umm Qasr, Al Bakr 11 Dec

LD111722 Tehran IRNA in English 1651 GMT 11 Dec 86

[Text] Ahvaz, Khuzestan Prov., Dec 11, IRNA — Two Iraqi long-range guns were destroyed when the artillery fire of the Islamic Revolution's Guards Corps (IRGC) Ground Forces targeted enemy armoured units at Umm Qasr, Thursday.

In another development IRGC coastal artillery units subjected Al-Bakr oil platform to its heavy fire, inflicting considerable damage and also preventing the enemy from landing fresh forces in the area.

Meanwhile, the Muslim combatants of Iran shelled the supply axis of the Iraqi forces in Val-Fajr-8 theatre, killing or wounding several Iraqi soldiers and destroying four vehicles.